

Procurement

MISSION STATEMENT

The mission of the Office of Procurement is to acquire all goods, services, and construction necessary to carry out the functions of County government in the most cost-effective and timely manner consistent with required specifications and established procurement policies.

BUDGET OVERVIEW

The total recommended FY06 Operating Budget for the Office of Procurement is \$2,766,640, an increase of \$118,240 or 4.5 percent from the FY05 Approved Budget of \$2,648,400. Personnel Costs comprise 91.5 percent of the budget for 30 full-time positions and one part-time position for 29.4 workyears. Operating Expenses account for the remaining 8.5 percent of the FY06 budget.

Not included in the above recommendation is a total of \$97,570 and 1.0 workyear that is charged to: Fleet Management Services, Motor Pool Internal Service Fund (\$28,700, 0.3 WY); Bethesda Parking District (\$4,780); Silver Spring Parking District (\$4,790, 0.1 WY); Solid Waste Disposal (\$47,820, 0.5 WY); and Mass Transit (\$11,480, 0.1 WY). The funding and workyears for these items are included in the receiving departments' budgets.

HIGHLIGHTS

- ❖ **Add a Multilingual Interactive Voice Response System to improve customer service to the diverse business community.**
- ❖ **Productivity Enhancements**
- *Productivity enhancements initiated in FY04 and FY05 streamlined administrative staff operations.*

PROGRAM CONTACTS

Contact Marsha Watkins Thomas of the Office of Procurement at 240.777.9932 or Anita A. Aryeetey of the Office of Management and Budget at 240.777.2784 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

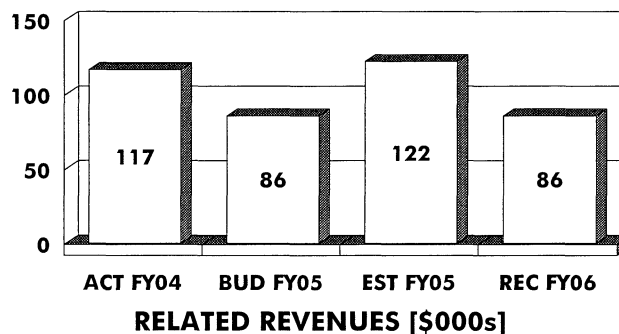
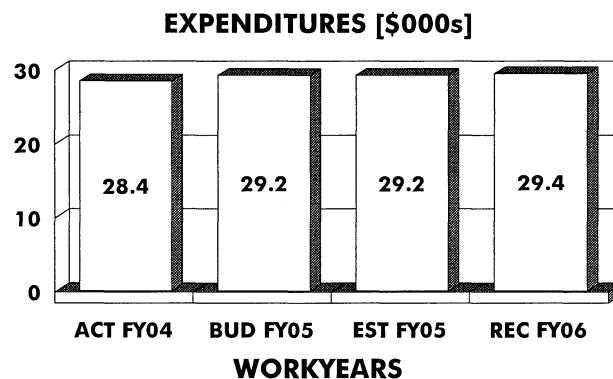
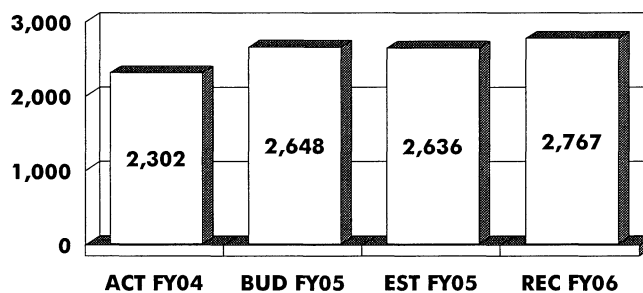
Procurement of Goods and Services

The purpose of this program is to purchase goods, services, and construction required by County departments in the most timely and cost-effective manner possible. Program staff assists departments in the development of specific procurements to maintain a competitive and fair procurement process and to ensure that procurement requests are processed according to the County Code and the Procurement Regulations. Program staff also help vendors understand the County's procurement process and procedures.

Program Summary

	Expenditures	WYs
Procurement of Goods and Services	1,965,110	23.1
Minority, Female, and Disabled Persons Procurement	168,010	1.8
Automation and Reports Management	151,050	1.5
Administration	482,470	3.0
Totals	2,766,640	29.4

Trends



Assistance with contracts is provided to coordinate contract administration through guidance, assistance, and training of department contract administrators. Procurement Specialists develop contract administration procedures and research, review, and recommend revisions to County procurement policies and regulations to streamline the procurement process. In addition, testimony and other evidence regarding claims and contract disputes with contractors are reviewed to resolve issues.

FY06 Recommended Changes

	Expenditures	WYs
FY05 Approved	1,819,860	22.9
FY06 CE Recommended	1,965,110	23.1

Minority, Female, and Disabled Persons Procurement

The objective of the Minority, Female, and Disabled persons (MFD) program is to meet the County's annual goal of awarding a designated percentage of the total dollar value of negotiated contracts over \$65,000 to Maryland Department of Transportation certified minority, female, or disabled-owned businesses by procurement source. To meet the objective, the program identifies MFD firms, encourages and coordinates their participation in the procurement process through community outreach, and monitors contracts subject to MFD participation to ensure compliance by prime contractors.

FY06 Recommended Changes

	Expenditures	WYs
FY05 Approved	163,870	1.8
FY06 CE Recommended	168,010	1.8

Automation and Reports Management

The purpose of the Automation and Reports Management program is to manage and coordinate the design, development, integration, and training for the County's automated procurement system (ADPICS). ADPICS requires procurement personnel to create, update, and monitor vendor databases.

The automated management system also allows departments to initiate and monitor purchases, contracts, grants, violations, emergencies, public information requests, and department surplus. The program also provides oversight, upkeep, and evaluation of the Internet, fax, and imaging systems.

The program includes ongoing development and management of RAPID (Re-engineered Automated Procurement Information Delivery). RAPID has significantly reduced mailing, printing, and human resource costs. Additional features of RAPID are its ability to advertise solicitations from other County agencies and other counties and links to COG, Maryland counties, and selected states. Subscribers are able to review procurement opportunities for all agencies that link with RAPID 7 days a week, 24 hours a day. Subscribers are also provided with training and support on how to use RAPID. Additionally, this division maintains e-procurement activities such as on-line solicitation purchasing.

FY06 Recommended Changes

	Expenditures	WYs
FY05 Approved	144,830	1.5
FY06 CE Recommended	151,050	1.5

Administration

The Administration program provides for departmental direction, oversight, and support for the Contract Review Committee (CRC), budget preparation and monitoring, and cost and price analysis. The program coordinates cooperative procurements with the Metropolitan Washington Council of Governments (COG) and other government agencies; works closely with the Interagency Procurement Coordinating Committee (IPCC) and the local and national chapters of the National Institute of Governmental Purchasing (NIGP); and improves skill levels and buying practices by training and recertifying Procurement staff toward qualification as a Certified Public Purchasing Officer (CPPO) or a Certified Professional Public Buyer (CPPB). Administration activities include expenditure control, revenue collection, budget preparation, personnel activities, training, and development of recommendations and analyses regarding procurement matters for the CRC. The Director serves as one of three voting members of the CRC and is directly involved in all major procurements.

FY06 Recommended Changes

	Expenditures	WYs
FY05 Approved	519,840	3.0
FY06 CE Recommended	482,470	3.0

BUDGET SUMMARY

	Actual FY04	Budget FY05	Estimated FY05	Recommended FY06	% Chg Bud/Rec
COUNTY GENERAL FUND					
EXPENDITURES					
Salaries and Wages	1,684,100	1,863,170	1,842,030	1,932,500	3.7%
Employee Benefits	458,962	556,970	525,540	599,950	7.7%
County General Fund Personnel Costs	2,143,062	2,420,140	2,367,570	2,532,450	4.6%
Operating Expenses	159,271	228,260	268,260	234,190	2.6%
Capital Outlay	0	0	0	0	—
County General Fund Expenditures	2,302,333	2,648,400	2,635,830	2,766,640	4.5%
PERSONNEL					
Full-Time	28	30	30	30	—
Part-Time	1	1	1	1	—
Workyears	28.4	29.2	29.2	29.4	0.7%
REVENUES					
Information Requests	398	240	240	240	—
Photocopying Fees	197	150	300	150	—
Protest Fees: On-Line	0	1,000	1,000	1,000	—
Protest Fees	0	1,000	1,000	1,000	—
Solicitation Fee: Formal	53,835	22,850	0	22,850	—
Solicitation Fee: Formal On-Line	1,495	1,530	300	1,530	—
Solicitation Fee: Non-Construction	12,165	10,410	10,410	10,410	—
Solicitation Fee: Non-Construction On-Line	0	2,320	2,320	2,320	—
Vendor Registration Fee	48,450	29,700	90,000	29,700	—
Vendor Registration Fee: On-Line	0	16,400	16,400	16,400	—
County General Fund Revenues	116,540	85,600	121,970	85,600	—

FY06 RECOMMENDED CHANGES CROSSWALK

	Expenditures	WYs
COUNTY GENERAL FUND		
FY05 ORIGINAL APPROPRIATION	2,648,400	29.2
Changes (with service impacts)		
Enhance: Multilingual Integrated Voice Response Telephone System [Administration]	45,110	0.0
Other Adjustments (with no service impacts)		
Increase Cost: FY06 Compensation	85,200	0.0
Increase Cost: Annualization of FY05 Personnel Costs	31,160	0.0
Increase Cost: FY06 Group Insurance Rate Adjustments	26,470	0.0
Increase Cost: FY06 Retirement Rate Adjustments	23,270	0.0
Increase Cost: Annualization of FY05 Lapsed Positions [Procurement of Goods and Services]	16,390	0.2
Increase Cost: Annualization of FY05 Operating Expenses [Administration]	6,400	0.0
Increase Cost: Records Management [Administration]	3,240	0.0
Decrease Cost: Elimination of One-Time Items Approved in FY05 [Administration]	-119,000	0.0
FY06 RECOMMENDATION:	2,766,640	29.4

FUTURE FISCAL IMPACTS

Title	CE REC. FY06	FY07	FY08	(S000's) FY09	FY10	FY11
This table is intended to present significant future fiscal impacts of the department's programs.						
COUNTY GENERAL FUND						
Expenditures						
FY06 Recommended No inflation or compensation change is included in outyear projections.	2,767	2,767	2,767	2,767	2,767	2,767
Elimination of One-Time Items Recommended in FY06 Items recommended for one-time funding in FY06, including (a one-time cost of 1,620 for Records Management), will be eliminated from the base in the outyears.	0	-2	-2	-2	-2	-2
Labor Contracts These figures represent the annualization of FY06 increments, general wage adjustments, and associated benefits. Estimated compensation (e.g., general wage adjustment and service increments) for personnel are included for FY07 and beyond.	0	113	133	133	133	133
Subtotal Expenditures	2,767	2,878	2,898	2,898	2,898	2,898

PROCUREMENT

PROGRAM: Procurement of Goods and Services		PROGRAM ELEMENT: Maryland Public Information Act (MPIA) Requests				
PROGRAM MISSION: To respond in writing within 30 days by providing clear, accurate information and/or documentation in response to requests from citizens and from public entities of Montgomery County						
COMMUNITY OUTCOMES SUPPORTED: • Deliver high value services for tax dollars • Provide responsive, consistent, reliable government services • Build credibility with citizens						
PROGRAM MEASURES		FY02 ACTUAL	FY03 ACTUAL	FY04 ACTUAL	FY05 BUDGET	FY06 CE REC
Outcomes/Results:						
Percentage of requestors reporting satisfactory resolution of their:						
Request for bid documents ^a	84	43	77	78	80	
Request for other public records ^b	64	57	23	22	20	
Service Quality:						
Percentage of citizen requests responded to within 30 days	97	100	100	100	100	
Percentage of requests for which an extension of the time to respond was granted ^c	3	0	0	0	0	
Efficiency:						
Average cost per MPIA request received (\$)	520	445	180	181	183	
Workload/Outputs:						
MPIA requests received	148	203	^e 521	525	550	
Inputs:						
Expenditures (\$000) ^d	77.0	90.4	94.0	94.9	100.8	
Workyears ^d	1.0	1.0	1.0	1.0	1.0	
Notes:						
^a For this display, "bid documents" include bid tabulations, unit pricing, listings of solicitation holders, and - for FY04 and subsequent years - Internet accessible information provided as a convenience to requestors (requests for such information fall under the definition of MPIA requests).						
^b Requests for other public records include requests for contracts, proposals submitted by vendors, evaluations used in contract awards, and other documents.						
^c Due to the volume or content of records requested, an extension may be granted for the time to respond.						
^d FY02 expenditures include the purchase of an MPIA software application and the salary of a new Procurement Specialist dedicated to MPIA. The software includes ten licenses: seven are being used in Procurement and three are being used in the County Attorney's Office.						
^e This number includes 315 requests for public information handled by reception desk staff. FY04 is the first year that staff at the reception desk can respond to certain MPIA requests by instantly faxing the requested documents, thus relieving procurement specialists from such duties. (All such documents are available from the Office's website; they are faxed to requestors as a convenience, along with instructions for accessing the information from the website in the future.)						
EXPLANATION:						
Public demand for information and review of public records in the State of Maryland led to the 1970 enactment of the Maryland Public Information Act (MPIA). This legislation, which is patterned after the Federal Freedom of Information Act, creates a process for recording, responding to, and researching requests for information and documentation, and for distributing that information and/or documentation to requestors. Under the MPIA, any Maryland state or local government agency that receives a request invoking MPIA must send a response within 30 days from the date of receipt. A requestor's right to access information is limited by numerous restrictions cited throughout the MPIA. However, whether the request is granted in full, denied in part (redacted), or denied in full, responses must meet the 30 day requirement, unless an extension has been granted.						
The Office of Procurement has received the majority of the MPIA requests which come to Montgomery County because of the many issues that tend to be associated with contracts and contract awards. Goods and Services Division staff have been responsible for ensuring that MPIA requests are identified and tracked in a database from receipt to response, for searching for the relevant information/documentation, and for preparing formal responses to the requests.						
The knowledge-based software purchased in FY02 facilitates the provision of MPIA responses and allows users to construct responses using standard templates, making it easy to insert relevant legal citations and to mask out information that is confidential and therefore exempt from disclosure. The intent is for the system to be able to locate contract files electronically, allow collaboration between departments, and improve workflow management.						
PROGRAM PARTNERS IN SUPPORT OF OUTCOMES: Office of the County Attorney.						
MAJOR RELATED PLANS AND GUIDELINES: Maryland Public Information Act and Executive Regulation Number 27-01 AM.						